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USWEST

Elridge A. Stafford
Director-Federal Relations

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July 27, 1992

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ex Parte

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RE: Petition to Establish Multichannel Local
Distribution Service, RM-7872

Dear Ms. Searcy:

Please be advised that Larry Levine, Randy Oster, and Elridge Stafford, representing U S WEST, today met separately with Mr. Jim Keegan, of the Common Carrier Bureau, and with Dr. Robert Pepper and Mr. David Reed, of the Office of Plans and Policy. The purpose of these meetings was to discuss U S WEST's support for the proposal of Suite 12 for a Multichannel Local Distribution Service in the 28 GHz radio band. The attached outline and news clip cover the points discussed in these meetings.

In accordance with the FCC's rules governing ex parte contacts, please include this letter and the attachments in the record of the above referenced proceeding. An original and one copy are provided for this purpose.

Acknowledgement and date of receipt of this letter are requested. A duplicate letter is included for this purpose.

Sincerely,

Elridge A. Stafford

Attachments

cc: Dr. Robert Pepper
Mr. Jim Keegan
Mr. David Reed

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U S WEST
Multichannel Local Distribution Service
RM 7872
July 27, 1992

28 GHz is ideally suited for MLDS and should be so assigned.

- Spectral efficiency
- Sufficient bandwidth for broadband services
- Not utilized today for designated application

MLDS should be open to all entities and be non-regulated.

- Private carrier status
- Capacity constrained
- Federal regulation preferred as in MMDS and Broadcast
- Tests appetite for services potentially competitive with cable service
- Potential other uses (e.g., two-way data)

At most 3 licenses in each market area.

- Capacity constrained
- Parity with typical cable service in mature urban area requires approximately 50 channels
- Ability to grow and add ATV requires sufficient bandwidth
- Consistent with trend towards aggregation of MMDS spectrum - more bandwidth/larger business opportunity

License should be for the entire market area including all cells.

- RBOC LATA restrictions
- Must create areas where service can be price competitive
- Cellular issues are similar
- Should license areas no bigger than a LATA

Channelization and modulation should not be specified.

- Evolving service
- Free to mix and match as market requires
- Encourage innovation

Cable goes over the air in Springs

Microwave links viewers without the need for wires to homes

Wouldn't it be nice if there was an alternative to the take-it-or-leave-it attitude of some cable television companies?

For thousands of Colorado Springs residents, the alternative exists, and its name is American Tele-casting Inc.

ATI uses microwave transmission instead of coaxial cable to transmit video programming. A transmission tower beams programming via a 'through the air' signal to the small receiving antenna on each client's roof, then down into the TV-top "box."

"We avoid the capital costs of stringing coaxial cable throughout a city by using microwave," said Bruce Dines, general manager. "Our incremental capital cost per household is much less than traditional cable companies as a result."

ATI viewers are offered a broad selection, but fewer overall channels, he added.

"Our basic service includes 23 channels that comprise 90-95% of typical viewing habits, staying away from the home shopping or specialty channels," he explained. ATI's basic package includes CNN, ESPN, Prime Sports Network, USA, Nickelodeon, Headline News, MTV, Weather Channel, Family Channel, American Movie Classics, WGN, Discovery and WTBS, among others, and costs \$16.95 a month.

The "Smartpak" combines basic service with Showtime, and costs \$20.95. According to Dines,

Cablevision of Colorado Springs charges \$30.90 for its equivalent package.

"Depending on the level of service they subscribe to, in Colorado Springs, ATI costs 20-40% less than cable," Dines said.

Hard-wire cable companies aren't allowed to own or operate wireless systems according to FCC regulation.

Revenue at the privately-owned company this year will grow 100% over 1991, Dines said.

Right now ATI is looking for an engineering operations manager with five years' supervisory experience and seven years' cable experience to run head/end maintenance, installation, service, inventory control and fleet maintenance.

Excellent verbal and written communication skills are essential, as the manager must produce analytical reports, memos and letters. PC-literate applicants familiar with dBASE and Lotus are encouraged to apply.

Colorado Springs-based ATI was founded in 1988 and employs 32 people. Currently the company serves Colorado Springs and two Florida cities, Orlando and Fort Meyers. ATI systems are under development in Denver, other areas of Florida, Kentucky, Arkansas and Washington.

Positions available in Engineering and related fields are listed in Classification 1230, page 12C.